

# Passion at Rules Ralph Nader

all those good works  
name of consumerism is a  
and angry prophet.  
al target is corporate power.

ard Armstrong



On a recent visit to Marymount College in Arlington, Virginia, Ralph Nader arrived at the school gymnasium an hour late. But he then proceeded to pacify an overflowing crowd of restless students—and earn a lecture fee of \$2,500—by denouncing America's big corporations in venomous language. Afterward one question from the audience brought a rousing and spontaneous burst of applause. When, the questioner asked, did he plan to run for President?

A slightly more measured assessment of the Nader phenomenon came from Bess Myerson, New York City's commissioner of consumer affairs, when she introduced him as star witness at a recent hearing on deceptive advertising. "Mr. Nader," she said, "is a remarkable man who, in the last six years, has done more as a private citizen for our country and its people than most public officials do in a lifetime."

The remarkable thing about this tribute is that it is



running battle with Detroit is led by Nader lieutenant Lowell Edge, thirty, a graduate of Hotchkiss, Yale, and the Harvard Law School. Among his soldiers are the young people below. Marcapp, in his fourth year of the work-study program at Antioch College, does research at \$30 a week. Debra Seeger attends George Washington University, serves as a part-time volunteer clerk.



When an important bill is pending he is quite capable of playing rough, threatening to denounce a Representative to the press unless he goes along on a key amendment. "Does Ralph like power?" The Senate aide laughed at such a naive question. "Good gracious, yes. He loves it." Compared to other powerful men in Washington, Nader enjoys a rare freedom of action, flourishing as a sort of freebooter who is able to pick his targets at will, unconstrained by an electorate or any judgment but his own. "You will find sensitive people around town who are saying it's time to take a second look at this guy," says the Senate aide. "There are people who wonder whether he ought to be the final arbiter of safety in autos or in the food supply. Nader has something the companies don't have—credibility—especially with the press. There is a danger that people will be afraid to go up against him for that reason alone."

### Regrets to David Susskind

By any measure, Nader's power is still growing. He remains absolute master of his own movement, but he is no longer alone. "When I think of all the lean years Ralph spent knocking on doors—" says Theodore Jacobs, who was Nader's classmate at both Princeton and Harvard Law School and now serves as a sort of chief of staff. Jacobs had just concluded a telephone call that, from his end, had consisted only of various expressions of regret. "That was Susskind. He's got a new show, he wants Ralph, and I had to turn him down. Ralph hates New York—all that traffic and pollution—and I can't get him up there unless it's imperative. I spend a lot of my time saying no. Among other problems, he's got two people on his tail right now who are writing full-length biographies. He has to husband his time. He's down for the Today show next Tuesday, but that's right here in town. If there is an important bill pending in committee and they need some input, he'll be there. He'll duck anything else for that."

Jacobs presides, loosely, over a modern suite of offices in downtown Washington housing the Center for the Study of Responsive Law. This is home base for the seven most senior of Nader's "raiders" and is one of the three organizations through which Nader now operates. The other two are located a few blocks away: the five-man Auto Safety Center and the Public Interest Research Group, staffed by twelve bright young graduates of top law schools, three of them women. In addition, there are the summertime student raiders, who this year will number about fifty, only one-quarter as many as last year. The program is being cut back, Jacobs explains, because the students are a mixed blessing, requiring a good deal of nursemaiding by the full-time staff. "But we still think it's useful for the regulatory agencies to see a fresh batch of faces wafting through."

One of the center's main functions is to handle a flood of crank calls. "No, I'm afraid Mr. Nader isn't here," says the young girl at the switchboard. "Can you tell me what it's about?" After a protracted conversation, she explains with a grin: "He said it was something so big he didn't dare put a word on paper. No name either, but still he wants to speak to Ralph." Nader drops by for a few minutes every day or so, and the other raiders emulate his casual example; by the switchboard, message boxes improvised out of brown paper are filled to overflowing with notices of calls never returned.

The Center for the Study of Responsive Law is tax-

literally true. In the seven years since he moved to Washington from Winsted, Connecticut—without funds and with a narrow base of expert knowledge in a single subject, automobile safety—Nader has created a flourishing nationwide movement, known as consumerism. He is chiefly responsible for the passage of at least six major laws, imposing new federal safety standards on automobiles, meat and poultry products, gas pipelines, coal mining, and radiation emissions from electronic devices. His investigations have led to a strenuous renovation at both the Federal Trade Commission and the Food and Drug Administration. And if the quality and convenience of American life do not seem dramatically improved after all that furious crusading, Nader can point to at least one quite tangible result. Last year, for the first time in nine years, traffic fatalities in the U.S. declined, to 55,300 from 56,400 in 1969. Unless the decline was a fluke (and officials at the Highway Traffic Safety Administration do not think it was), then for those 1,100 living Americans, whoever they may be, Nader can be said to have performed the ultimate public service.

### More than ten Kremlins

And yet, despite all this, it is easy to conclude after a conversation with Nader that he is not primarily interested in protecting consumers. The passion that rules in him—and he is a passionate man—is aimed at smashing utterly the target of his hatred, which is corporate power. He thinks, and says quite bluntly, that a great many corporate executives belong in prison—for defrauding the consumer with shoddy merchandise, poisoning the food supply with chemical additives, and willfully manufacturing unsafe products that will maim or kill the buyer. In his words, the law should “pierce the corporate veil” so that individual executives could be jailed when their companies misbehaved. He emphasizes that he is talking not just about “fly-by-night hucksters” but the top management of “blue-chip business firms.”

The lawyers who provide legal cover for all these criminal acts are, to Nader, nothing but “high-priced prostitutes.” As for the advertising profession, Nader recently served up the following indictment: “Madison Avenue is engaged in an epidemic campaign of marketing fraud. It has done more to subvert and destroy the market system in this country than ten Kremlins ever dreamed of.” With the certainty of the visionary, Nader would sweep away that shattered market system and replace it by various eccentric devices of his own, such as a government rating system for every consumer product.

If, on the one hand, Nader has advanced the cause of consumer protection by his skillful marshaling of facts in support of specific reforms, he has, on the other hand, made reform more difficult through his habit of coating his facts with invective and assigning the worst possible motives to almost everybody but himself. By some peculiar logic of his own, he has cast the consumer and the corporation as bitter enemies, and he seems to think that no reform is worth its salt unless business greets it with a maximum of suspicion, hostility, and fear.

Nader is a strange apparition in the well-tailored world of the Washington lawyer. His suits hang awkwardly off his lanky frame, all of them apparently gray and cut about a half size too large. His big brown eyes in their deep

bony face, and a small, set chin give him, at thirty-seven, the look of an underfed waif.

Nobody has been able to explain the deep personal anger that erupts when Nader begins to speak about corporations. He himself simply denies that he is anti-business. “People who make that charge are escalating the abstraction,” he told an interviewer recently, his long hands clasped together, his brown eyes flashing. “They don’t dare face the issues.” But anger of some kind is unmistakably there. It seems to spring out of some profound alienation from the comfortable world he sees around him, and perhaps dates back to his early days in the conservative little town of Winsted, where he was something of an oddball, the son of a Lebanese immigrant, the boy who read the Congressional Record. He recalls proudly that his father, who kept a restaurant and assailed customers with his political views, “forecast the corporate take-over of the regulatory agencies back in the 1930’s.” Princeton and Harvard Law School trained Nader’s brilliant mind, but their social graces never touched his inner core. There seems something of the desert in him still, the ghost of some harsh prophet from his ancestral Lebanon.

According to one old friend, Nader has always had a conspiratorial view of the world, and when General Motors put private detectives on his trail in 1965 just before the publication of *Unsafe at Any Speed* that view was strongly reinforced. “He thought somebody was following him around,” says the friend, “and then, by gosh, somebody *was* following him around.” Apparently, at the time, Nader was convinced that G.M. planned to have him bumped off. He still moves about Washington in great secrecy—from one rendezvous to the next.

### The fifth branch of government

In his role as scourge of the regulatory agencies, Nader is aggressive and ill-mannered as a matter of calculated policy. “Rattle off a few facts so they will know you can’t be bluffed,” he tells his teams of young investigators setting out to interview government officials. “Get on the offensive and stay there.” Says Lowell Dodge, who runs Nader’s Auto Safety Center: “If somebody is messing up, Ralph wants to embarrass them.”

But Nader can be an engaging fellow when he chooses. He takes care to maintain good relations with Washington journalists—parceling out news tips with an even hand—and many of them pay him the ultimate tribute of calling him the best reporter they know. To these men he seems to serve as a sort of ghost of conscience past, a reminder of investigations not pursued and stables left uncleansed. Both reporters and professional politicians find him extremely useful. “Nader has become the fifth branch of government, if you count the press as fourth,” says a Senate aide who has worked with Nader often in drafting legislation. “He knows all the newspaper deadlines and how to get in touch with anybody any time. By his own hard work he has developed a network of sources in every arm of government. And believe me, no Senator turns down those calls from Ralph. He will say he’s got some stuff and it’s good, and the Senator can take the credit. Any afternoon he’s in town you still see him trudging along the corridors here with a stack of documents under his arm, keeping up his contacts.”

exempt," supported by well-known foundations, such as Field, Carnegie, and Stern, and by wealthy benefactors such as Midas muffler heir Gordon Sherman and Robert Townsend, author of *Up the Organization*. (Townsend gave \$150,000.) On a budget of \$300,000 a year, the center is able to pay its raiders a stipend of up to \$15,000 each. "A far cry from five years ago," says one of the veteran raiders, Harrison Wellford, thirty-one, "when Ralph was being trailed by G.M. gumshoes and we would meet at night at the Crystal City hamburger joint on Connecticut Avenue to compare notes. We'd work our heads off and then get gunned down by someone from Covington & Burling [a large Washington law firm] who had been on an issue for a corporate client for ten years."

Consumers Union is the biggest single donor to the Auto Safety Center, which operates on a slender budget of \$30,000 a year. The Public Interest Research Group, or PIRG as it is called, is Nader's own nonprofit law firm, and he pays all the bills out of his own pocket, including the stipends of \$4,500 a year to the twelve young lawyers. It is an irony that must warm Nader's heart that the money comes out of the \$270,000 he netted in the settlement of his lawsuit against G.M. for invasion of privacy. Since PIRG's budget is \$170,000 a year, Nader is obviously going through his windfall at an unsustainable clip.

### Consciousness III doesn't give a damn

Nader calls his own organization "a big joke really, a drop in the bucket compared to the size of the problem." It is in his nature to conceive of the enemy as being enormous, pervasive, and exceedingly powerful. "How many public-interest lawyers would it take to oversee the Pentagon? A-hundred? Multiply that by the number of departments and agencies. This country needs 50,000 full-time citizens, including 10,000 public-interest lawyers. And I could get that many applicants if I had the money." Last month Nader began a campaign to raise \$750,000 from students in two states, Connecticut and Ohio, where the money would be used to set up Nader-like centers for investigating state and local government. Students in two other states, Oregon and Minnesota, have voted to donate \$3 each from their college activities funds to finance similar organizations. Nader hopes that one plan or another will spread across the country.

To the young, Nader is a hero of great stature. Thousands of students in law, medicine, engineering, and every other field want to "conform their careers and their ideals," as he puts it, by going to work for him. They are the mass base of his movement, and he is able to pick and choose among them for his staff. (They say on campus that getting a job with Nader is "tougher than getting into Yale Law School.") And yet this appeal is in many ways hard to fathom. Nader has no use at all for the "counterculture," and he abhors drugs. "There's a conflict between living life on a level of feeling on the one hand and Ralph's product ethic on the other," admits Lowell Dodge. "To produce, to have an impact—that's what Ralph admires. Consciousness III doesn't give a damn about the FTC. Ralph does." Dodge thinks Nader is growing ever stronger on campus as revolutionary ideas begin to fade. "There's more interest in change *within* the system, and Ralph is the most effective example of an agent for change."

Nader hectors students mercilessly about their public duties, about their "anemic imaginations," about their "thousands of hours on the beach or playing cards." And

## Notches on Nader's Gun

**THE AUTOMOBILE.** An auto-safety enthusiast while at Princeton and Harvard Law School, Nader went to Washington in 1964 to work on his pet subject as an aide to Daniel Patrick Moynihan, then Assistant Secretary of Labor, who happened to be interested in a field far removed from his assigned duties. Bored with office routine, Nader quit the following year and wrote *Unsafe at Any Speed* in ten weeks. During the Senate hearings on auto safety, he came out a clear winner in a much-publicized confrontation with James Roche, president (now chairman) of General Motors. The publicity assured passage of the Motor Vehicle Safety Act of 1966, establishing a government agency to set mandatory vehicle-safety standards, of which there are now thirty-four.

**UNSANITARY MEAT.** For his second campaign, Nader found ready-made evidence in a study done by the Department of Agriculture of state-regulated packing plants, considered to be in intrastate commerce and so not covered by federal law. Many of the plants were filthy and rodent infested, but apparently nobody of any consequence had ever bothered to read the study's report. Nader did. The result was the Wholesome Meat Act of 1967, giving states the option of bringing their inspection programs up to federal standards or having them supplanted by federal inspection. In 1968 the provisions of the act were applied to poultry products.

**FEDERAL TRADE COMMISSION.** A team of student raiders assigned by Nader to the FTC in 1968 found one official at the agency literally asleep on the job, others frequenting nearby saloons during working hours, and still others who seldom bothered to come to work at all. President Nixon commissioned a study of the FTC by an American Bar Association panel, which confirmed the major findings of the Nader report: low morale, lack of planning, preoccupation with trivial cases and timidity in pursuing important ones. Outcome: new faces and new vigor at the FTC.

**FOOD AND DRUG ADMINISTRATION.** Student raiders studying the FDA in the summer of 1969 compiled evidence on two important regulatory blunders: approval of cyclamates and monosodium glutamate for unrestricted use in the food supply. Alerted by the raiders, the news media covered both stories with unrestrained enthusiasm until the FDA banned cyclamates from soft drinks and manufacturers voluntarily stopped putting monosodium glutamate in baby food. In December, President Nixon fired the three top officials at the FDA.

**OTHER DOINGS.** Legislation inspired by Nader: Natural Gas Pipeline Safety Act (1968), Radiation Control for Health and Safety Act (1968), Coal Mine Health and Safety Act (1969), Comprehensive Occupational Safety and Health Act (1970). Published reports: *The Chemical Feast* (on the FDA); *The Interstate Commerce Omission* (it recommends abolishing the ICC); *Vanishing Air* (a critical look at air-pollution-control laws and industry compliance); *What To Do With Your Bad Car* ("an action manual for lemon owners"); *One Life—One Physician* (on the medical profession). Reports in progress on: the Department of Agriculture, nursing homes, water pollution, Du Pont, First National City Bank of New York, the Washington law firm of Covington & Burling, land-use policies in California, supermarkets, and "brown lung" disease in the textile industry.

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STATE

ZIP

## The Passion That Rules

Ralph Nader *continued*

want a one-room office where we can have our staff within the center that will serve as a liaison between us and you. And we're going to develop certain conditions of our continuing patronage on a mass basis." It might take the form of banning detergents with phosphates, improving service under a warranty, or holding down prices." Nader's product-rating system, including a telephone data bank for easy reference, would force manufacturers, he says, to abandon their present policy of "severe protective imitation" for one of "competition on price and quality." (Nobody has been able to explain just how such a system would make the millions of decisions the market makes now, many of them involving subjective judgments as to quality or value.)

While otherwise holding business in low esteem, Nader seems to have a blind faith in instant technology, insisting that if corporations are given tough enough deadlines, on antipollution devices or on proving the safety of food additives, they will somehow manage to comply. While it is true that some corporations plead ignorance as a convenient alibi for doing nothing about pollution, it is also true that feasible systems have not yet been developed to control a number of crucial pollutants, including sulphur dioxide. On the question of food additives, James Grant, deputy commissioner of the Food and Drug Administration, says, "Scientific advances solve problems but also raise new questions. We can prove that certain chemicals are unsafe, but we can never prove, once and for all, that *anything* in the food supply is safe. We frequently are obliged to make absolute decisions on the basis of partial knowledge. If I have one criticism to level at the consumer advocates, it's that they're unwilling to take scientific uncertainty into account."

### Does Sears, Roebuck cheat?

Economics, clearly, is not Nader's strong suit. He seems to think of figures as weapons, to be tossed around for maximum effect. To cite one of his current favorite examples of business fraud, he says that the orange-juice industry is watering its product by 10 percent, and thus bilking the public out of \$150 million a year. And he adds: "You may wish to compare that with what bank robbers took last year in their second most successful performance to date: \$8 million." Nader says he arrived at the 10 percent figure on the basis of "insider information." He applied it to total sales of the citrus industry and, lo, another "statistic" on business fraud. Even if the industry were watering, which it strenuously denies, it does not follow that the public is being gypped out of \$150 million. On a watering job of that scale, the price would reflect the water content, and if water were eliminated the price would have to go up.

Another of Nader's current favorite targets is Sears, Roebuck & Co. "Nobody thinks Sears, Roebuck cheats people. But they charge interest from the date the sales contract is signed rather than from the date of delivery—a few pennies, millions of times a year." But Sears no longer has ownership or use of the merchandise once the contract is signed, and could not, for example, apply any price increase that might subsequently be decided upon. The contract is perfectly open and aboveboard and should be considered in the context of the total transaction, price versus values received.

Nader quotes and endorses an article in the *St. Paul Pioneer Press*:

## The Passion That Rules

Ralph Nader *continued from page 147*

they seem to love it. "Suppose students would engage in one of history's greatest acts of sacrifice and go without Coke and tobacco and alcohol, on which they spend \$250 each a year?" he asked a student audience at Town Hall in New York. "They could develop the most powerful lobby in the country. Write to us! We'll tell you how to do it." Hands dived for pens as he called out his address in Washington.

It is possible to question, nevertheless, whether this enthusiasm would survive a close association with Nader. Although most of the members of his full-time staff plan to stay in public-interest legal work, many of them talk with enthusiasm about the day when they will be leaving Nader. One reason, of course, is money. "On \$4,500 a year, it's tough," says Christopher White, one of the young lawyers at the Public Interest Research Group. And then these young people are blither spirits than Nader and have a spontaneity and graciousness he lacks. Although they refrain from criticizing him directly, the picture that emerges is of a boss at least as dictatorial as any they would find in a private law firm. "The emphasis is on production," one of them says. "Ralph thinks that if a brief is 90 percent right, it's a waste of time to polish it." Nader tells them that a work week of 100 hours is "about right." He lectures them about smoking, refuses to ride in their Volkswagens, and never has time to waste socializing. Lowell Dodge got a call from Nader last Christmas Eve, but only because Nader had a question to ask about work in progress.

The warmth and empathy so important to the young are not to be found in any relationship with Nader. Robert Townsend's daughter Claire, a pretty blonde student at Princeton, says with unblushing candor that she became a raider last summer partly because "I had a terrible crush on Ralph. All the girls have crushes on Ralph." But Nader apparently never has crushes on them. He still lives monk-like in a rented room. His most pronounced concession to cravings of the flesh comes in appeasing a voracious although picky appetite. He is leery of most meats but often tops off a meal with two desserts. It is somehow typical of the man that when the soon-to-be-famous blonde detective tried to pick him up, back during his fight with G.M., she found him in a supermarket buying a package of cookies.

### Trying to find free enterprise

What young people admire in Nader is a dark and uncompromising idealism, coupled with a system of New Left economics that he is able to shore up with all sorts of impressive-sounding facts. They think he has got the goods on "the system." And he is completely free of any humdrum sense of proportion. A conversation with Nader makes the consumer society sound as gory as a battlefield: motorists "skewered like shish kebab on non-collapsible steering wheels"; babies burned to death by flammable fabrics improperly labeled; a little girl decapitated because a glove-compartment door popped open in a low-speed collision; "thousands of people poisoned and killed every year through the irresponsible use of pesticides and chemicals."

The corporate criminals responsible for this slaughter always go unpunished. "If we were as lenient toward individual crime as we are toward big-business crime we would

tions." As for the market economy, it is rapidly being destroyed by the same corporate executives who are always "extolling it at stockholder meetings."

"Where is the free-enterprise system?" Nader asks, a sly smile lighting up his face. "I'm trying to find it. Is it the oil oligopoly, protected by import quotas? The shared monopolies in consumer products? The securities market, that bastion of capitalism operating on fixed commissions and now provided with socialized insurance? They call me a radical for trying to restore power to the consumer, but businessmen are the true radicals in this country. They are taking us deeper and deeper into corporate socialism—corporate power using government power to protect it from competition."

### Down to zero profits

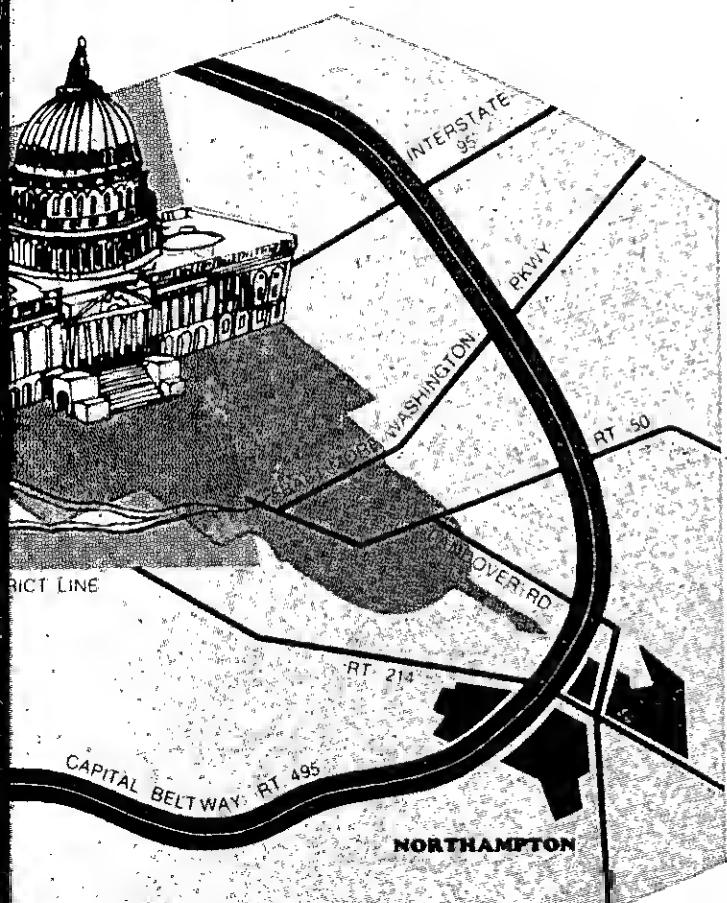
Nader is not exactly the first social critic to be astonished at the functions—and malfunctions—of a market economy, and to render them in overtones of darkest evil. But sinister tales of this sort, while they go down well enough with college crowds, throw no light at all on the issues Nader claims to want to face. It is true enough that unless consumers themselves are concerned about product safety, corporations have no particular bias in its favor. This is due, however, not to corporate depravity but rather to the economics of the case: an extra margin of safety is an invisible benefit that usually increases costs. When products, automobiles for example, are too complicated for consumers to make independent judgments as to safety, government must usually set standards if there are to be any—and it is a measure not just of business power but also of consumer indifference that safety standards for autos came so late.

Government must also counter the ceaseless efforts of corporations to escape from the rigors of competition through the acquisition of monopoly power, through tariff protection, import quotas, and the like. Granted that government hasn't done a very good job of this. All the same, most corporate executives, obliged to immerse themselves daily in what feels very much like competition, would be surprised to learn from Nader how free of it they are supposed to have become.

Given Nader's own diagnosis, it might be thought that he has been spending his time battling restraints on trade, but this is far from the case. He has instead been devoting his considerable ingenuity to devising new schemes for regulating and "popularizing" business, by such means as a federal charter for all corporations, "which would be like a constitution for a country," publication of corporate tax returns, and the election of public members to corporate boards. He would require an attack on pollution "with maximum use of known technology and down to zero profits."

Nader denies any desire to take the country into socialism, and in this he is apparently sincere. One of his raiders, Mark Green, told the *New York Times* recently that when Nader thinks of socialism "he doesn't think of Lenin but of Paul Rand Dixon," former Chairman of the FTC and, in Nader's mind, the quintessential bureaucrat. Yet Nader seems never to have grasped that when he talks about operating on "zero profits" he is talking not about a market economy but about a confiscatory, state-imposed system that would inevitably bring in train a host of other controls.

In his "consumer democracy" of the future, as he outlines it, everybody could order business around. Tightly controlled from above by the federal government, business would be policed at the local level by what would amount to consumer



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## The Passion That Rules

Ralph Nader *continued*

costs the consumer some \$200 billion a year, "or 25 percent of all personal income." That utterly fantastic figure is also more than four times as large as all corporate profits in 1970. For a clipping of that magnitude to be possible, even theoretically, it would have to run as a sort of inflationary factor through the whole economy—wages as well as prices—and thus the argument becomes something of a wash, but a grossly misleading one all the same.

Like reformers before him, Nader is extremely reluctant to admit that any progress at all has been made in any area of consumer protection, even where he has helped write new legislation. "Very little progress, really," he sums it up. "It's a push-and-shove situation." He still refers to the nation's meat supply as "often diseased or putrescent, contaminated by rodent hairs and other assorted debris, its true condition disguised by chemical additives." This is the identical language he used three years ago to arouse Congress and propel passage of the Wholesale Meat Act. Since then the Department of Agriculture has declared 289 packing plants "potentially hazardous to human health," and has told state authorities to clean them up or shut them down. The department says "much remains to be done" to eliminate unsanitary conditions—but perhaps not as much as Nader seems to think. Similarly, despite the thirty-four automobile safety standards enforced by law and 701 recall campaigns, Nader says that "the changes are purely cosmetic."

### Shock waves at the agencies

The most impressive documents to come out of the Nader movement are the reports on the regulatory agencies. In most respects they are detailed and thoughtful, written with surprising skill by various groups of amateurs working under Nader's direction. And they have sent shock waves through Washington's bureaucracy. Since their publication, agency awareness of the public interest has greatly increased, and a certain distance has crept into the previously cozy relations between the regulators and the regulated. That distance, however, is still not nearly great enough to please Nader, who wants industry policed with eternal suspicion. "Sharpness" is one word he uses to describe the proper attitude. Jail terms for executives, he says, would be far more effective than the voluntary compliance on which the agencies now mostly rely. "Jail is a great stigma to a businessman, and even a short sentence is a real deterrent," explains James Turner, who wrote the FDA report. "You would get maximum compliance with a minimum of prosecutions."

That may well be so. But in the atmosphere of hostility that would result, regulation might actually be less effective than at present. The agencies can now make sweeping judgments—that a rate is "discriminatory" or a trade practice "deceptive"—on the basis of a simple hearing. "If criminal penalties were involved, our statutes would be interpreted in a much less flexible way," says Robert Pitofsky, the new head of FTC's Bureau of Consumer Protection. Most regulatory matters are exceedingly complex, and the agencies have trusted the industries concerned to furnish the data. If this system were replaced by a program of independent government research on countless topics, the sums expended could



# An open letter to marketing men no new worlds to conquer

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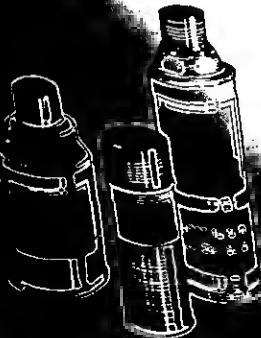
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## The Passion That Rules

Ralph Nader *continued*

with an ugly, persistent confrontation, where the two sides try to outshout each other. We'd be pitting a tiny government agency against the worldwide auto industry."

At the FDA, a new leadership is attempting to stay on cordial terms with the \$125-billion food industry while attacking the two key problems documented in great detail in the Nader report, *The Chemical Feast*. First, the FDA is undertaking a comprehensive review of the hundreds of chemicals added to the food supply as preservatives, colorings, or flavorings. "None of these chemicals, perhaps, has been put to the most rigorous testing that present-day science could muster," admits Deputy Commissioner Grant, one of the new men at the agency. Second, the FDA has also acted on mounting evidence that many prepared foods are deficient in nutritional values, and is now setting guidelines for their fortification with vitamins and minerals. "In many ways the FDA was a bar to progress," says Grant, "and we are attempting to turn that around."

### Confessional for sinners

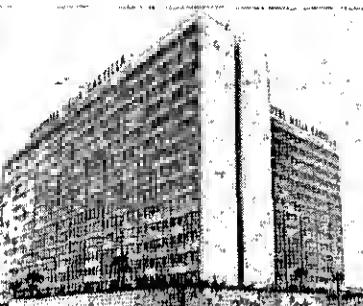
Among the agencies Nader has investigated, the FTC comes closest to the tough, pro-consumer point of view that he is pushing for. Under its new leadership the FTC has filed a flurry of complaints on deceptive advertising, and in a number of these cases it has gone far beyond the traditional cease-and-desist order (known around the FTC as "go and sin no more"). To the dismay of the advertising profession, the FTC now seeks what it calls "affirmative disclosure"—that is, an admission in future advertising, for a specific period, that previous ads were deceptive. Howard Bell, president of the American Advertising Federation, says this amounts to "public flogging."

"Somebody is going to take us to court on affirmative disclosure, and they should," Pitofsky cheerfully admits. "It is a substantial expansion of FTC power." The FTC is also insisting that claims be based on evidence. "We're not after something that 'tastes better,'" Pitofsky says. "That's just puffery. But if you say it's twice as fast or 50 percent stronger, we will take that to mean faster or stronger than your competitor's product, and it better be so."

By swinging to "a fairly stiff enforcement of the law," as Pitofsky puts it, the FTC hopes to encourage self-regulation by industry. "Voluntary compliance comes when companies see that they are better off cleaning house themselves than letting government do it for them." And that is what seems to be happening. Warning of "the regulatory tidal wave which threatens to envelop us," the American Advertising Federation is trying to establish a National Advertising Review Board, which would set standards for ads, seek voluntary compliance with the standards, and refer ads it finds deceptive to the FTC for action.

In all this unaccustomed bustle, the agencies are, of course, just doing what they were supposed to be doing all along. To say only that, however, is to ignore the extraordinary difficulty of the regulatory function when there is no counterpressure to the steady, case-by-case intervention of skilled lawyers with specific and valuable corporate interests to protect. Congress, like the agencies, responds to the pressures applied—it's a case of "who's banging on the door," in Nader's words. Nader's point is that the agencies are

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## The Passion That Rules

Ralph Nader *continued*

enough," says the FDA's Grant, "the overwhelming majority of the food industry believes that it is better off with a strong FDA, because all get balanced treatment." It is Nader's accomplishment, and no small one, that he has given the agencies the other constituency they need, the public. "Until we came along," says Nader, "the people at the agencies had forgotten what citizens looked like."

Nader will bend all of his lobbying skill this year to persuade Congress to pass a bill that would give the consumer permanent representation before regulatory bodies. The consumer agency to be established by the bill would, in fact, attempt to do just the sort of thing that Nader is doing now, but with the help of government funds and powers. A number of other consumer bills have broad support this year, including regulation of warranties and power for the FTC to seek preliminary injunctions against deceptive advertising. But Nader says, "I'd trade them all for the consumer agency."

### The problem of maintaining clout

But can a movement like consumerism, powerful and yet amorphous, really be institutionalized? Certainly the passion and craft of a Nader cannot be. Nor would the director of a consumer agency enjoy Nader's complete freedom of action. A Senate aide who helped draft the bill predicts that the new office might "have its time in the sun, like the Peace Corps or OEO. Then it will carve out a rather cautious domain of its own and become part of the bureaucracy."

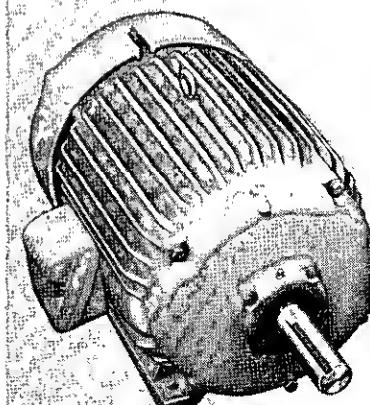
That being so, there will still be opportunities for Nader, always provided that he can stay in the sun himself. His support is volatile, a matter of vague tides of public opinion. "His problem is maintaining clout," says Douglas Toms, the Traffic Safety Administrator. "He has a strange kind of constituency, people with a burr under their saddle for one reason or another. He has to constantly find vehicles to keep him in the public eye." Financing will continue to be a problem. Nader himself is well aware of all these difficulties. He says that a basic error of reform movements is expecting to succeed. "You will never succeed. All you're trying to do is reduce problems to the level of tolerability."

Nader's answer to that question about the presidency is this: "I find that I am less and less interested in who is going to become President. A far more interesting question is, who's going to be the next president of General Motors?" Despite any such disclaimers, it is easy to imagine the movement going political and Nader running in some future year as, say, a candidate for the U.S. Senate from Connecticut. Nader might do well in politics, as a sort of latter-day Estes Kefauver. A recent Harris survey revealed that 69 percent of the people think "it's good to have critics like Nader to keep industry on its toes," while only 5 percent think he is "a troublemaker who is against the free enterprise system." This is the sort of public response that most politicians, including Presidents, yearn for in vain.

Judging Nader on the basis of the specific reforms he has brought about, it would be hard to disagree with this public verdict. There has been some cost, however, and this cannot be measured. He has visited his own suspicions and fears upon a whole society, and in the end his hyperbole may prove to be a dangerous weapon. But this year at least, the public apparently expects its crusaders to be twice as fast and 50

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